

EXHIBIT 9

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: : Chapter 11
LEHMAN BROTHERS HOLDINGS INC, et al., : Case No. 08-13555 (JMP)
Debtor. : (Jointly Administered)
:

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In re: LEHMAN BROTHERS INC., : Case No. 08-01420 (JMP)
Debtor. :
:

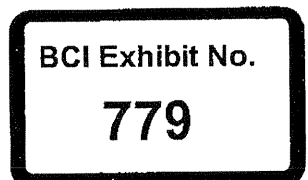
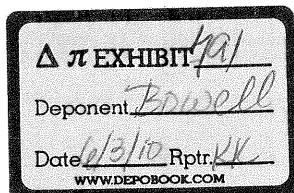
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DECLARATION OF PAUL PFLEIDERER

I, PAUL PFLEIDERER, declare as follows:

1. I have been retained as an expert witness on behalf of Barclays Capital Inc. ("Barclays") in the above-captioned matter. I have previously submitted in this proceeding a written expert report and a declaration, and I have given oral testimony in deposition. Information regarding my qualifications and professional experience is presented fully in those submissions.¹

¹ See Expert Report of Professor Paul Pfleiderer, *In re: Lehman Brothers Holding Inc., et al*, Case No. 08-13555 (JMP) (Bankr. S.D.N.Y. Jan. 8, 2010) (hereinafter "Pfleiderer Report"); Deposition of Prof. Paul Pfleiderer, *In re: Lehman Brothers Holding Inc., et al*, Case No. 08-13555 (JMP) (Bankr. S.D.N.Y. Feb. 23, 2010); and Declaration of Paul Pfleiderer, *In re: Lehman Brothers Holding Inc., et al*, Case No. 08-13555 (JMP) (Bankr. S.D.N.Y. Apr. 19, 2010).



2. In the course of working on my expert report, I reviewed data collected by Barclays personnel from the Lehman Brothers Inc. ("LBI") legacy Global Funding System ("GFS") for September 12, 2008. My understanding is that the GFS report that I received captures information for all LBI trading inventory positions as of that date.² To assist me in my analysis, staff working at my direction summarized total long inventory and net inventory values for major asset categories (as defined by the "GAAP Asset Class 1 Name" variable in the GFS system). The summary captures at a high level of aggregation certain asset value data available in the GFS report I initially received. I have subsequently received and reviewed similar GFS reports for additional dates, all of which were produced in this litigation. My expectation is that I will eventually receive GFS reports for each business day between September 12 and September 22 of 2008 and will have staff working at my direction create similar daily summaries for each one (excluding the weekend days of September 13, 14, 20, and 21, for which data are not reported).

3. Exhibit 1 provides a side-by-side comparison of the daily total value of assets contained in the six major asset categories observed for LBI in the GFS system on the dates for which I have already received reports. The categories include the following: government and agency securities; certificates of deposit ("CDs") and other money market instruments; mortgages and mortgage-backed securities; corporate obligations and spot commodities; corporate stocks and options, and derivatives and other contracts.³ GFS contains a number of

² See Pfleiderer Report at ¶¶ 32, 81 n. 66.

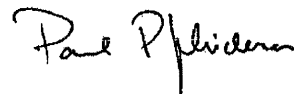
³ Strictly speaking, the asset categories correspond to the various values given in the GFS system for the "GAAP Asset Class 1 Name" variable associated with each observation. (The specific category names are slightly different when one observes entries for long versus short positions, but the categories are materially the same – e.g., "CD's & Other Money Market" versus "Total CD's and Other Mon Mkt Instr." Exhibits 1 and 2 to this Affidavit are based only on data for long positions.) Exhibits 1 and 2 also reflect a "(blank)" category. This corresponds to entries in the GFS system for which no "GAAP Asset Class 1 Name" description was provided. Additionally, some

variables that provide information regarding different measures of price, market value, notional value, "balance sheet" totals, and the like for positions in individual securities. Exhibit 1 specifically presents information for the "Long Inventory TD @ MV" variable in GFS – i.e., the market value of long positions in inventory as based on the trade date (as opposed to the settlement date) of the assets. For each asset class in Exhibit 1, the total given is the sum of "Long Inventory TD @ MV" values across all observations in the class, expressed in units of billions of dollars. As Exhibit 1 shows, the total value of long inventory held by LBI declined over the period, from approximately \$62.36 billion on September 12 to approximately \$55.95 billion on September 19.

4. Exhibit 2 provides the same information as was presented in Exhibit 1 but expresses all values in units of single dollars (i.e., not rounded to billions of dollars). It consists of six tables, one for each of the trading days between September 12, 2008 and September 19, 2008.

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Palo Alto, California on April 23, 2010.



Paul Pfliderer

observations in GFS have "NULL" as a "GAAP Asset Class 1 Name" category, but these do not appear to have any long inventory value information associated with them and thus are not included in Exhibits 1 and 2.

In re: Lehman Brothers Holdings Inc., et al.

EXHIBIT 1
Summary of GFS Daily Exposure Reports
September 12-19, 2008

Trade Date Long Inventory Market Value (\$ billions)						
GAAP Asset Class	09/12/08	09/15/08	09/16/08	09/17/08	09/18/08	09/19/08
Total Government and Agencies	37.31	37.09	36.85	36.44	38.19	36.08
Total CDs and Other Money Market Instruments	1.01	0.97	0.96	0.96	0.92	0.92
Total Mortgages and Mortgage Backed	6.56	6.19	6.08	5.97	5.91	6.22
Total Corporate Obligations and Spot	5.22	4.85	4.80	4.75	4.64	4.60
Total Corporate Stocks and Options	8.04	7.12	7.03	6.19	5.07	5.77
Total Derivatives and Other Contr.	4.21	4.40	2.92	2.73	2.62	2.35
(blank)	0.00	0.00	0.00	0.00	0.00	0.00
Total	62.36	60.61	58.65	57.04	57.35	55.95

Source: GFS Daily Exposure Reports for Sept. 12, 15, 16, 17, 18, and 19, 2008.

In re: Lehman Brothers Holdings Inc., et al.
EXHIBIT 2-A
Summary of GFS Daily Exposure Report
September 12, 2008

GAAP Asset Class	Trade Date Long Inventory Market Value (\$) 09/12/08
Total Government and Agencies	37,310,795,798
Total CDs and Other Money Market Instruments	1,014,274,049
Total Mortgages and Mortgage Backed	6,556,460,564
Total Corporate Obligations and Spot	5,222,989,904
Total Corporate Stocks and Options	8,038,738,595
Total Derivatives and Other Contr.	4,214,376,104
(blank)	488,575
Total	62,358,123,587

Source: GFS Daily Exposure Report for Sept. 12, 2008.